

**COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND**

**2007 Legislative Session**

Legislative Day # 1

**BILL NO. 2007-01**

**Introduced by: Charles County Commissioners**

**Bond Authorization For Financing The Costs Of Certain Public Facilities**

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**Date introduced:** 01 / 09 / 07

**Public Hearing:** 01 / 30 / 07 at 3:30 p.m.

**Commissioners Action:** 01 / 30 / 07 Enact

**Commissioner Votes:** WC: Y, EP: Y, RC: Y, SG: Y, GH: Y

**Pass/Fail:** Pass

**Effective Date:** 03 / 16 / 07

**Remarks:** \_\_\_\_\_

NOTE: CAPITALS indicate matter added to existing text.

[Brackets] indicate matter deleted from existing law.

**COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND**

**2007 Legislative Session**

**Bill No.** 2007-01

**Chapter No.** \_\_\_\_\_

**Introduced by** Charles County Commissioners

**Date of Introduction** January 9, 2007

**BILL**

AN ACT concerning

**Bond Authorization For Financing**

**The Costs Of Certain Public Facilities**

FOR the purpose of authorizing and empowering the County Commissioners of Charles County, from time to time, to borrow not more than One Hundred Eleven Million Two Hundred Fifty Thousand Dollars (\$111,250,000) for the purpose of financing the costs of certain public facilities in Charles County described herein and providing funds for a portion of the County's Capital Improvement Program for FY07-08, and to effect such borrowing by the issuance and sale of its general obligation bonds in one or more series; empowering the Board of County Commissioners of Charles County to adopt a resolution or resolutions in accordance with Section 15 of Article 25B of the Annotated Code of Maryland (2005 Replacement Volume) prior to issuing the bonds; empowering and

directing the County to levy ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds from the provisions of Sections 9 to 11, inclusive, of Article 31 of the Annotated Code of Maryland (2003 Replacement Volume); authorizing the County to issue and sell bond anticipation notes in one or more series pursuant to the authority of Section 12 of Article 31 of the Annotated Code of Maryland (2003 Replacement Volume) prior to and in anticipation of the sale of the bonds; providing that the County may issue and sell all or any portion of the bonds as bonds the interest on which is not excludable from gross income for federal income tax purposes; and relating generally to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND, that the Laws of Charles County, Maryland read as follows:

BOND AUTHORIZATION FOR  
PUBLIC FACILITIES

Section 1. Pursuant to Sections 14 to 21, inclusive, of Article 25B of the Annotated Code of Maryland (2005 Replacement Volume) (the “Bond Act”), County Commissioners of Charles County (the “County”) is hereby authorized and empowered to borrow money and incur indebtedness for the public purposes described in Section 2 hereof, in an amount not to exceed, in the aggregate, One Hundred Eleven Million Two

Hundred Fifty Thousand Dollars (\$111,250,000) and to evidence such borrowing by issuing, selling and delivering its bonds, at any time or from time to time and in one or more series, as the County may determine, in an aggregate principal amount not to exceed in the aggregate, One Hundred Eleven Million Two Hundred Fifty Thousand Dollars (\$111,250,000) (the “Bonds”), subject to the provisions and conditions of this Act.

Section 2. The proceeds from the sale of the Bonds shall be applied for the public purpose of financing, refinancing or reimbursing expenditures made for all or a portion of the costs of the acquisition, planning, design, construction, repair, renovation, reconstruction, alteration and equipping of the following public facilities in Charles County (which shall include engineering, architectural, fiscal and legal expenses related thereto, the acquisition of land and other interests in property, furnishings and equipment, related site and utility improvements, and capitalized interest during construction and for a reasonable period thereafter, whether or not specifically stated, and which may represent the County’s share or contribution to the financing or refinancing of such projects), together with the costs of issuing the Bonds (which costs may include the costs of bond insurance or other credit enhancement) (the “Projects”):

(A) construction of and improvements to various public schools and facilities in the County;

(B) construction of and improvements to various facilities in the County to house the College of Southern Maryland;

(C) improvements to general government facilities, including parks and recreation facilities and the County's minor league baseball stadium; and

(D) construction, repairs and improvements to roads and bridges in the County.

The County expressly reserves the right to amend this bill to authorize use of the proceeds of the Bonds, including any excess proceeds after application for the purposes described in this Section, to such other public purpose or purposes as the County may approve by enactment of an amendment to this Act in accordance with, and pursuant to, the Bond Act. The use of the proceeds of the Bonds by the County to finance the costs of the Projects is a proper public purpose which may be financed by the issuance of the Bonds pursuant to the Bond Act.

Section 3. For the purpose of paying the interest on and redeeming and paying the Bonds as they mature, in each and every fiscal year that any of the Bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the legally assessable property within the corporate limits of the County, in rate and amount sufficient to provide for the payment, when due, of the principal of and interest on all of the Bonds maturing in each such fiscal year and, if the proceeds from the taxes so levied in any fiscal year prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any deficiency. In case the Bonds shall be issued in any fiscal year after the making of the regular levy for that fiscal year, any and all interest becoming due before the next levy shall be paid out of any other funds at the disposal of

the County and there shall be levied at the next succeeding levy an amount sufficient to reimburse such other funds. The County may apply to the payment of the principal of and interest on any Bonds issued hereunder any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality of either, or from any other source. Taxes that might otherwise be required to be levied under this Act may be reduced or need not be levied to the extent that any such funds are received or receivable in any fiscal year.

The full faith and credit and unlimited taxing power of the County are hereby irrevocably pledged to the payment of the maturing principal of and interest on the Bonds as and when such principal and interest respectively mature and to the levy and collection of the taxes prescribed in this Section as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of the Bonds.

Section 4. Prior to the issuance and sale of all or any part of the Bonds, the Board of County Commissioners of Charles County (the "Board") shall adopt one or more resolutions complying with the requirements of Section 15(4) of the Bond Act. Any such resolution may also contain provisions reflecting the matters set forth in Section 15(5) of the Bond Act and such other provisions as the Board may deem appropriate.

Section 5. The Bonds may be sold in one or more series, and the Bonds of any series shall be sold either (a) at private (negotiated) sale and at or above par, or (b) at public sale, by competitive bid, at or above par, as determined by the Board to be in the best

interest of the County; in either or both of which events, the Bonds of such series shall be sold in such manner and upon such terms as the Board deems to be in the best interest of the County.

Section 6. The Bonds and their issuance and sale shall be exempt from the provisions of Sections 9 to 11, inclusive, of Article 31 of the Annotated Code of Maryland (2003 Replacement Volume), as in effect from time to time.

Section 7. Pursuant to Section 12 of Article 31 of the Annotated Code of Maryland (2003 Replacement Volume) and this Act, the County may issue and sell bond anticipation notes in one or more series prior to and in anticipation of the issuance and sale of the Bonds. Prior to the issuance, sale and delivery of any bond anticipation notes, the Board shall adopt a resolution authorizing the notes and specifying, prescribing, determining, providing for and approving such matters, details, forms, documents or procedures as may be required by applicable law.

Section 8. Nothing in this public local law shall prevent the County from issuing and selling all or any part of the Bonds as bonds the interest on which is not excludable from gross income for federal income tax purposes.

Section 9. The authority to borrow money and to issue bonds conferred on the County by this Act shall be deemed to provide additional, alternative and supplemental authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation

of any power now existing; and all previously enacted laws authorizing the County to borrow money are hereby continued to the extent that the power contained in them is continuing or has not been exercised, unless any law is expressly repealed by this Act, and the validity of any bonds issued under previously enacted laws is hereby ratified, confirmed and approved. This Act, being necessary for the welfare of the inhabitants of Charles County, shall be liberally construed to affect its purposes. All public local laws previously enacted, and parts of public local laws previously enacted, which are inconsistent with the provisions of this Act, are hereby repealed to the extent of any inconsistency.

SECTION 2. BE IT FURTHER ENACTED, that the provisions of this Act are severable, and if any provision, sentence, clause, section or part hereof is held to be illegal, invalid or unconstitutional or inapplicable to any person or circumstances, such illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, sections, or parts of this Act or their application to other persons or circumstances. It is hereby declared to be the legislative intent that this Act would have been passed if such illegal, invalid or unconstitutional provision, sentence, clause, section or part had not been included herein, and if the person or circumstances to which this Act or any part hereof are inapplicable had been specifically exempted therefrom.

SECTION 3. BE IT FURTHER ENACTED, that this Act shall take effect forty-five calendar days after it becomes law.



ENACTED, this 30<sup>th</sup> day of January, 2007.

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Wayne Cooper, President

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Edith J. Patterson, Vice President

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Reuben B. Collins, II

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Samuel N. Graves, Jr.

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Gary V. Hodge

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Denise Ferguson, Clerk